Financial burden on State Governments due to Food Policy and Fifth Pay Commission Report

2242. SHRIMATI JAYANTI PATNAIK: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the financial burden on the State Governments due to the implementation of new Food Policy and the Fifth Pay Commission Report of the Central Government;

(b) whether the Government have any proposal to assist the State Governments in the matter; and

(c) the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) The State Governments are free to decide on the matters of revision of the salaries of their employees and to appoint Pay Commission as and when they deem it appropriate. However, if the State Governments decide to adopt the recommendations of Fifth Central Pay Commission in their States, they are likely to face additional financial burden in most cases.

There is no scheme at present to provide Central Assistance to the State Governments for this purpose.

As regards implementation of New Food Policy, the information is being collected and will be furnished.

Income Tax collections

2243. SHRIMATI JAYANTI PATNAIK: Will the Minister of FINANCE be pleased to state:

(a) whether Government have been laying emphasis on income tax collections;

(b) whether Government have fixed individual targets for Income Tax Commissioners for the collection of the income tax;

(c) whether the past performance of every Income Tax Commissioner has been assessed by Government;

(d) if so, the details thereof; and

(e) what other steps have been taken to revamp the central excise, customs and income tax departments?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) Yes, Sir.

(d) The annual collection of each Income Tax Commissioner is taken into account while appraising his/her annual performance. The Central Board of Direct Taxes (CBDT) also regularly monitors tax collections of every Region throughout the year.

(e) In the case of Central Excise, Customs and Income Tax field formations it has been decided to enhance the budget provisions under office expenses to provide them better facilities. The improved facilities are likely to augment the recovery of taxes.

Full convertibility of Rupee

2244. SHRI O. P. KOHLI: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to bring about full convertibility of rupee in the near future;

(b) if so, the purpose thereof;

(c) whether those countries who resorted to full convertibility of their currencies were able to have a sustainable foreign investment and growth rate in the long run; and

(d) if not, the reason for this measure being resorted to in our country in hasty manner?